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SUPPLEMENT TO
REPORT NO.

25X1

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1. An adequate supply of meat and butter for ration card holders in East Germany is believed to be assured for 1952. The meat and fat rations are not scheduled to be increased. Meat and fats, except butter, are imported on a comparatively small scale. About half of the total requirements for butter must be imported. The main supplier of butter is the U.S.S.R.
2. Difficulties may occur in obtaining a supply of meat in excess of the rationed allocations. The meat shortage is caused by the farmers who are holding back because of the NIAS propaganda regarding an alleged new currency reform and because of the possibility that German political problems may be controlled by the Western countries. East German government officials have attempted to counteract this attitude of the farmers, mainly by offering high prices and by political indoctrination. Compulsory measures are not being considered because the Central Committee of the SED does not want to antagonize the farmers. The extra ration cards offered as an incentive have not been effective because the goods are not available in sufficient quantities.
3. In early 1952, a shortage of potatoes occurred in East Germany because most of the potatoes were exported to Poland and Czechoslovakia. In autumn 1951, 100,000 tons of potatoes were shipped to Poland. The East Berlin requirements also doubled to a total of 50,000 tons, mainly because potatoes were sold to West Berlin. The situation was aggravated by the shortage of fodder potatoes and by poor deliveries to the collecting agencies, causing the actual yield of the 1951 autumn harvest to fall far below expectations. The State Secretariat for Collection and Purchasing could not cope with this situation. The collection plan and the purchase schedule of the State Secretariat were not fulfilled although higher prices were offered. Another problem is the uncertainty concerning the probable requirements until the next harvest, as there is only vague information concerning the amount of potatoes stored. It is possible that especially large supplies of potatoes will be offered one to two months before the harvest. The stocks of seed potatoes for agricultural purposes will probably meet requirements. An increased purchase of potatoes in East Germany at double the present prices, with payment to be made in fertilizer and grain for cattle, and the immediate importation of 30,000 tons of potatoes, were discussed in meetings held since January 1952 under the direction of Minister President Otto Grotewohl or Deputy Minister President Heinrich Rau. The Bruns Firm in Hamburg¹ is negotiating to import potatoes from Holland, and another unidentified firm is negotiating

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potatoes from Spain. According to trade negotiations, as of 12 April 1952, potatoes will be imported from Holland and Spain at a price of \$ 35 per ton, with sugar and miscellaneous items being used as payment for half this amount. Despite these measures it is possible that a critical potato shortage will occur before the new harvest, unless the farmers in East Germany have stocked more potatoes than have been reported by government agencies.

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1. [] Comment: The Hamburger Adressbuch for 1951 lists a Willy Bruns Com.b.H., Ein-, Ausfuhr, Versand und Grosshandel von Gartenbauerzeugnissen und Trockenfruechten, 5 Oberhafenstrasse (Fruchthof), Hamburg 1.

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